

106TH CONGRESS
1ST SESSION

H. R. 2375

To authorize a demonstration project to expand eligibility under existing State prescription drug assistance programs for low-income seniors.

IN THE HOUSE OF REPRESENTATIVES

JUNE 29, 1999

Mr. GILMAN introduced the following bill; which was referred to the Committee on Commerce

A BILL

To authorize a demonstration project to expand eligibility under existing State prescription drug assistance programs for low-income seniors.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the "Senior Prescription
5 Drug Assistance Expansion Demonstration Act of 1999".

1 SEC. 2. DEMONSTRATION PROJECT TO EXPAND ELI-
2 BILITY UNDER EXISTING STATE PRESCRIP-
3 TION DRUG ASSISTANCE PROGRAMS FOR
4 LOW-INCOME SENIORS.

5 (a) IN GENERAL.—The Secretary of Health and
6 Human Services shall provide for a demonstration project
7 under this section under which grants are made to 3
8 States to expand eligibility under existing State low-in-
9 come senior prescription drug assistance programs (as de-
10 fined in subsection (e)(1)). Grants under the demonstra-
11 tion project shall be made for a 2-year period beginning
12 during fiscal year 2000.

13 (b) QUALIFICATION OF STATES.—The Secretary may
14 not make a grant to a State under the demonstration
15 project unless the following conditions are met:

16 (1) EXISTING PROGRAM.—The State has an ex-
17 isting State low-income senior prescription drug as-
18 sistance program and continues to operate and fund
19 such a program during the duration of the dem-
20 onstration project and does not reduce eligibility of
21 individuals for assistance under such program dur-
22 ing such period.

23 (2) QUALIFYING EXPANSION.—Under the grant
24 the State will expand eligibility under such program
25 to qualifying low-income seniors (as defined in sub-
26 section (e)(2)).

1 (3) SAME BENEFITS.—

2 (A) IN GENERAL.—With respect to cov-
3 erage under such program of such qualifying
4 low-income seniors, subject to subparagraph
5 (B), the terms and conditions of coverage (in-
6 cluding enrollment fees, deductibles, co-pay-
7 ments and other cost-sharing, and scope and
8 conditions of prescription drug coverage) shall
9 be the same as for other individuals 65 years of
10 age or older receiving assistance under such
11 program.

12 (B) TREATMENT OF CONDITIONS RELATED
13 TO INCOME.—In applying subparagraph (A), if
14 the program provides that enrollment fees,
15 deductibles, and other terms and conditions
16 under such program vary based on income of
17 individuals, the expansion under the grant may
18 continue to vary such fees, deductibles, and
19 other terms and conditions with respect to
20 qualifying low-income seniors based on their in-
21 come but only in a manner that reasonably re-
22 flects their higher income levels.

23 (4) APPLICATION.—The State has submitted to
24 the Secretary an application containing such infor-
25 mation and in such form and manner as the Sec-

1 retary may require to carry out the demonstration
2 project.

3 (c) SELECTION AMONG QUALIFYING STATES.—In se-
4 lecting the 3 States among those States that qualify to
5 receive a grant under this section, the Secretary shall give
6 priority to—

7 (1) one State based on its receiving the highest
8 level of payments from the Federal government
9 under its State medicaid program; and

10 (2) another State based on its being in the low-
11 est quartile of such payment level.

12 (d) PAYMENTS.—

13 (1) IN GENERAL.—Under a grant to a State
14 under the demonstration project, subject to para-
15 graph (2), the Secretary shall pay to the State the
16 additional costs incurred by the State in its existing
17 State low-income senior prescription drug assistance
18 program in providing assistance to qualifying low-in-
19 come seniors under the demonstration project.

20 (2) LIMITATION.—In no case shall the total of
21 the payments made under paragraph (1) to all
22 States exceed the total amount appropriated to carry
23 out this section. Payments under paragraph (1)
24 shall be reduced pro rata to the extent necessary to
25 comply with the previous sentence.

1 (e) AUTHORIZATION OF APPROPRIATIONS.—There
2 are authorized to be appropriated \$150,000,000 for fiscal
3 year 2000 to carry out this section. The amounts appro-
4 priated to carry out this section shall be available for obli-
5 gation through fiscal year 2002.

6 (f) DEFINITIONS.—For purposes of this section:

7 (1) EXISTING STATE LOW-INCOME SENIOR PRE-
8 SCRIPTION DRUG ASSISTANCE PROGRAM.—The term
9 “existing State low-income senior prescription drug
10 assistance program” means a program that, as of
11 June 1, 1999, is operated and funded by a State
12 and that provides assistance for the purchase of pre-
13 scription drugs to individuals 65 years of age or
14 older who meet applicable income and resource
15 standards established under the program and who
16 are not eligible for medical assistance with respect to
17 prescription drugs under the State medicaid pro-
18 gram.

19 (2) QUALIFYING LOW-INCOME SENIOR.—The
20 term “qualifying low-income senior” means, with re-
21 spect to a State, a resident of the State who—

22 (A) is 65 years of age or older;

23 (B) does not qualify for medical assistance
24 with respect to prescription drugs under the
25 State medicaid program; and



1 (C) would be qualified for assistance under
2 the existing State low-income senior prescrip-
3 tion drug assistance program (as in effect on
4 June 1, 1999) if the individual's income were
5 reduced by \$5,000.

6 (3) DEMONSTRATION PROJECT.—The term
7 “demonstration project” means the demonstration
8 project conducted under this section.

9 (4) GRANT.—The term “grant” includes a co-
10 operative agreement.

11 (5) SECRETARY.—The term “Secretary” means
12 the Secretary of Health and Human Services.

13 (6) STATE MEDICAID PROGRAM.—The term
14 “State medicaid program” means a State plan under
15 title XIX of the Social Security Act.

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